

FOR THE YEAR TO THE
STATISTICAL DEPARTMENT OF
LEE, HIGGINSON & CO.

INTERNATIONAL SHOE COMPANY
St. Louis

Certified Balance Sheet

As at November 30, 1915

Marwick, Mitchell, Peat & Co.
Chartered Accountants

U. S. A.

NEW YORK, 78 WALL STREET
 BOSTON, 6 CONGRESS STREET
 PHILADELPHIA, 1421 CHESTNUT STREET
 WASHINGTON, 733 FIFTEENTH STREET, N.W.
 NEW ORLEANS, 226 CARONDELET STREET
 PITTSBURGH, 248 FOURTH AVENUE
 CHICAGO, 108 SOUTH LA SALLE STREET
 MILWAUKEE, PABST BUILDING, WISCONSIN STREET
 ST. LOUIS, 417 PINE STREET CORNER BROADWAY
 KANSAS CITY, 824 WALNUT STREET
 ST. JOSEPH, 519 FRANCIS STREET
 MINNEAPOLIS, 118 SOUTH FOURTH STREET
 DALLAS, 1806 MAIN STREET
 SALT LAKE CITY, WALKER BANK BUILDING
 PORTLAND, 328 MORRISON STREET CORNER BROADWAY
 SAN FRANCISCO, 310 CALIFORNIA STREET

CANADA

MONTREAL, 11 PLACE D'ARMES
 TORONTO, 65 YONGE STREET
 WINNIPEG, 211 PORTAGE AVENUE
 MOOSE JAW, 508 WALTER SCOTT BLOCK
 CALGARY, HERALD BUILDING, FIRST STREET, W.
 VANCOUVER, 510 HASTINGS STREET, W.

EUROPE

LONDON, PINNERS HALL, OLD BROAD STREET
 GLASGOW, 41 ST VINCENT PLACE
 PARIS, 5 RUE DAUNOU, PRÈS L'AVENUE DE L'OPÉRA

CABLE ADDRESS "MAWIKMIT" FOR ALL OFFICES
 CODES - WESTERN UNION - A B C 5TH EDITION

MARWICK, MITCHELL, PEAT & CO.

CHARTERED ACCOUNTANTS

PARTNERS

MARWICK, MITCHELL & CO.

W. B. PEAT & CO.

616 BANK OF COMMERCE BUILDING

BROADWAY AND PINE STREET

ST. LOUIS December 18, 1915.

We have audited the accounts of the International Shoe Company for the year ended November 30, 1915, and certify that the Balance Sheet appended hereto properly presents, in our opinion, the financial position of the Company as at that date.

The cash in banks and on hand has been verified by certificates from the several depositaries and by actual count respectively, while the notes and accounts receivable are stated after making due provision for bad and doubtful debts and discounts. The inventories of manufactured merchandise, raw materials, supplies, etc., as taken under the supervision of responsible officials of the Company and to which they have certified, are priced at actual cost, with the exception of the Company's own manufactured merchandise; the latter has been valued on the same basis as formerly, namely, at selling list prices less 12½% discount, which, while in excess of actual factory cost, is sufficient to yield a margin of selling profit.

The securities for the investments have been produced for inspection and we have examined the vouchers and other data in support of the expenditures on additions to the physical properties during the year under review. The expenditure on lasts, patterns, dies, etc., amounting during the year to \$174,045.23, has been charged direct against factory

operations and consequently is not included in the additions referred to above. The amount charged to operations in respect of depreciation and maintenance of the physical properties for the year under review is, in our opinion, adequate for these purposes.

All liabilities of the Company at November 30, 1915, of which we have cognizance, are included in the Balance Sheet.

Marwick, Mitchell, Pent & Co

Chartered Accountants.

INTERNATIONAL SHOE COMPANY

BALANCE SHEET

As at November 30, 1915ASSETS

| | | | | |
|---|-----------------|----|---------------|--------------|
| Current and Working Assets: | | | | Current and |
| Cash in Banks and on Hand | | \$ | 432,405.20 | Notes Paya |
| Notes Receivable - Customers' and Employees', secured by stock | | | 78,771.43 | Accounts P |
| Accounts Receivable: | | | | Officers' |
| Customers', less Reserve for Bad Debts and Discounts | | | 5,038,050.94 | Accrued In |
| Officers' and Employees' | | | 42,394.21 | |
| Inventories: | | | | |
| Manufactured Merchandise at selling prices less 12½% | \$ 3,224,536.50 | | | Reserve for |
| Raw Materials, Supplies and Merchandise in Process | 3,076,137.32 | | 6,300,673.82 | Capital Stoc |
| Total Current and Working Assets | | | 11,892,295.60 | Authorized |
| | | | | 127,500 |
| | | | | 122,500 |
| | | | | Stock |
| Expenses Paid in Advance: | | | | |
| Insurance Premiums, Interest, Taxes, Royalties, etc. | | | 86,971.27 | Whereof Is |
| Investments in Stocks and Bonds of other Companies | | | 63,098.93 | Common |
| | | | | Preferr |
| Real Estate, Buildings, Machinery and Equipment: | | | | |
| Gross Book Value as at Nov. 30, 1914 | \$ 3,658,760.59 | | | Surplus: |
| Amount expended on additions since; excluding expenditures aggregating \$174,045.23 on Lasts, Dies, Patterns, etc., charged direct against factory operations | 29,581.31 | | | Surplus a |
| Total | 3,688,341.90 | | | Net Earni |
| | | | | 30, 191 |
| Less: Reserve in respect of Depreciation on Physical Properties | 729,880.11 | | | |
| Net Book Value, November 30, 1915 | | | 2,958,461.79 | Less Divi |
| | | | | Common |
| | | | | Preferr |
| Goodwill, Trade Marks and Brands | | | 12,750,000.00 | |
| Total | | \$ | 27,750,827.59 | |

INTERNATIONAL SHOE COMPANY

BALANCE SHEET

As at November 30, 1915

LIABILITIES

| | | | |
|----------------------------------|---|---------------------|----------------------|
| Current and Accrued Liabilities: | | | |
| \$ 432,405.20 | Notes Payable | \$ | 2,770,000.00 |
| | Accounts Payable for Merchandise, Supplies, etc. | | 592,514.17 |
| 78,771.43 | Officers' and Employees' Balances, Deposits, etc. | | 65,748.10 |
| | Accrued Income Tax | | <u>18,048.89</u> |
| 5,038,050.94 | Total Current and Accrued Liabilities | | 3,446,311.16 |
| 42,394.21 | | | |
| | Reserve for Dividend on Preferred Stock | | 141,375.00 |
| Capital Stock: | | | |
| | Authorized in shares of \$100 each - | | |
| <u>6,300,673.82</u> | 127,500 Shares Common Stock and | | |
| 11,892,295.60 | 122,500 Shares 7% Cumulative Preferred | | |
| | Stock | \$ | <u>25,000,000.00</u> |
| | Whereof Issued: | | |
| 86,971.27 | Common - 127,500 shares of \$100 each | 12,750,000.00 | |
| 63,098.93 | Preferred - 94,250 shares of \$100 each | <u>9,425,000.00</u> | |
| | Total Capital Stock Issued | | 22,175,000.00 |
| Surplus: | | | |
| | Surplus as at November 30, 1914 | \$ | 1,608,002.07 |
| | Net Earnings for year ended November | | |
| | 30, 1915 | | <u>1,804,889.36</u> |
| | | | <u>3,412,891.43</u> |
| Less Dividends Paid: | | | |
| | Common Stock - 6% | \$ 765,000.00 | |
| | Preferred Stock - 7% | <u>659,750.00</u> | |
| | | <u>1,424,750.00</u> | 1,988,141.43 |
| 2,958,461.79 | | | |
| <u>12,750,000.00</u> | | | |
| \$ <u>27,750,827.59</u> | Total | \$ | <u>27,750,827.59</u> |